



Huhtamäki Oyj Interim Report Q1 2024

January 1 – March 31, 2024

Huhtamäki

Improved operational profitability

Q1 2024 in brief

- Net sales decreased 4% to EUR 1,004 million (EUR 1,047 million)
- Comparable net sales growth was -2% at Group level
- Reported EBIT was EUR 78 million (EUR 87 million); adjusted EBIT was EUR 99 million (EUR 92 million)
- Reported EPS was EUR 0.35 (EUR 0.47); adjusted EPS was EUR 0.55 (EUR 0.51)
- The impact of currency movements was EUR -17 million on the Group's net sales and EUR -2 million on EBIT

Key figures

EUR million	Q1 2024	Q1 2023	Change	2023
Net sales	1,003.9	1,047.1	-4%	4,168.9
Comparable net sales growth	-2%	2%		-2%
Adjusted EBITDA ¹	149.0	140.5	6%	590.1
Margin ¹	14.8%	13.4%		14.2%
EBITDA	137.7	138.1	-0%	621.2
Adjusted EBIT ²	98.8	92.1	7%	392.6
Margin ²	9.8%	8.8%		9.4%
EBIT	77.6	87.4	-11%	380.9
Adjusted EPS, EUR ³	0.55	0.51	7%	2.32
EPS, EUR	0.35	0.47	-27%	1.97
Adjusted ROI ²	11.5%	10.7%		11.2%
Adjusted ROE ³	13.3%	13.7%		13.2%
ROI	10.7%	11.0%		10.9%
ROE	11.0%	14.3%		11.8%
Capital expenditure	36.6	65.2	-44%	318.7
Free Cash Flow	38.2	42.6	-10%	321.4
¹ Excluding IAC of	-11.3	-2.4		31.1
² Excluding IAC of	-21.2	-4.7		-11.7
³ Excluding IAC of	-20.9	-3.9		-35.9

Unless otherwise stated, all comparisons in this report are compared to the corresponding period in 2023. Figures of return on investment (ROI), return on equity (ROE) and return on net assets (RONA) as well as net debt to EBITDA presented in this report are calculated on a 12-month rolling basis.

IAC includes, but is not limited to, material restructuring costs and acquisition related costs (gains and losses on business combinations, professional and legal fees, material purchase price accounting adjustments for inventory, material purchase price amortization of intangible assets and changes in contingent considerations) as well as material impairment losses and reversals, gains and losses relating to sale of intangible and tangible assets, implementation costs concerning large projects with SaaS cloud computing technology, fines and penalties imposed by authorities and extraordinary taxes.

The figures in the tables are exact figures and consequently the sum of individual figures may deviate from the sum presented. Key figures have been calculated using exact figures.

President and CEO's review

During the first quarter of 2024, consumption remained sensitive to unchanged interest rates and slow easing of inflation. While we saw signs of increasing demand, with differences between geographies and categories, the pricing pressure in the value chain increased. Raw materials and energy costs remained favorable while labor costs continued to increase.

First quarter sales volumes remained at the previous year's level, and improved from the second half of 2023. Though consumption is still sensitive to inflation, the demand trend is encouraging, further reflecting the benefits of our continued investments in new innovative products and capacity. Volumes were affected by the Israel-Hamas war and Red Sea crisis, impacting both the Foodservice E-A-O and Flexible Packaging segments. Net sales decreased by 4%, due to the negative currency development and pricing pressure. Adjusted EBIT increased from the previous year by 7%, and the adjusted EBIT margin improved to 9.8% compared to 8.8% in Q1 2023.

We have made progress on the efficiency program launched in 2023. The announced 100 MEUR cost savings over three years will accelerate reaching our profitability ambition. We are completing the closure of our flexible packaging site in Prague, Czech Republic, announced in 2023. In March, we announced the consolidation of our footprint in China, closing two manufacturing sites while maintaining our capability to serve our customers from our two remaining Chinese factories. In April, we announced the project to close our factory in Klang, Malaysia, to optimize our foodservice production footprint in Asia. We have also accelerated process improvements to reduce input costs, including sourcing, material usage and labor efficiency. All activities executed thus far generated a positive impact on our profit in Q1 2024.

We are encouraged by the improving operational profitability in Q1 and signs of increasing demand. Trading conditions are expected to improve compared to 2023, despite continued volatility. Our deployment of innovation and capacity, our competitiveness improvement and our solid financial position support the execution of our growth strategy.

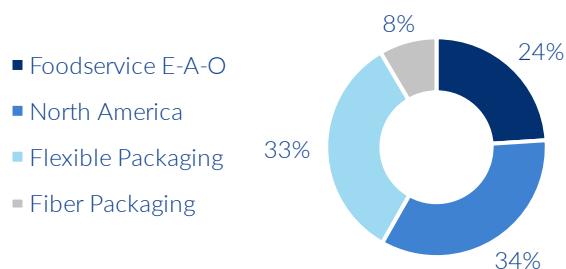
Charles Héaulmé,
President and CEO

Financial review Q1 2024

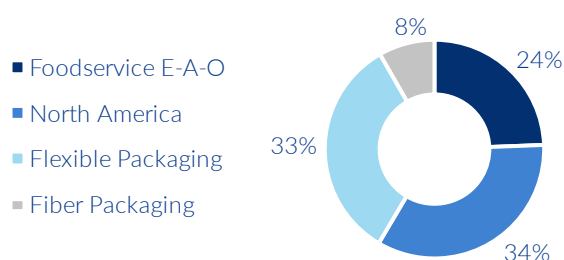
Net sales by business segment

EUR million	Q1 2024	Q1 2023	Change
Foodservice Europe-Asia-Oceania	241.1	256.2	-6%
North America	344.1	358.1	-4%
Flexible Packaging	335.2	349.1	-4%
Fiber Packaging	85.0	86.9	-2%
Elimination of internal sales	-1.6	-3.1	
Group	1,003.9	1,047.1	-4%

Net sales by segment, Q1 2024



Net sales by segment, Q1 2023



Comparable net sales growth by business segment

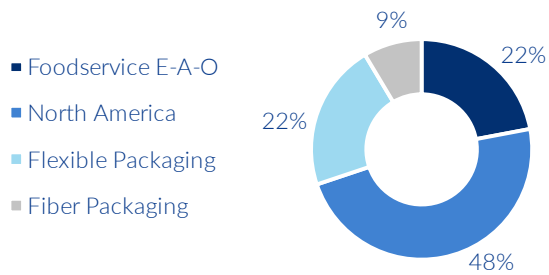
	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	-5%	-5%	-3%	5%	11%
North America	-3%	4%	1%	1%	2%
Flexible Packaging	-1%	-9%	-11%	-11%	-5%
Fiber Packaging	1%	2%	4%	7%	17%
Group	-2%	-3%	-4%	-2%	2%

The Group's net sales decreased 4% to EUR 1,004 million (EUR 1,047 million) during the quarter. Sales prices decreased as a result of lower raw material costs while sales volumes remained at the previous year's level. Comparable net sales growth was -2%. Demand continued to be muted by the impact of inflation, but improved slightly in certain categories and geographies, particularly in the Fiber Packaging segment. Comparable sales growth in emerging markets was -3%. Foreign currency translation impact on the Group's net sales was EUR -17 million (EUR -0 million) compared to 2023 exchange rates.

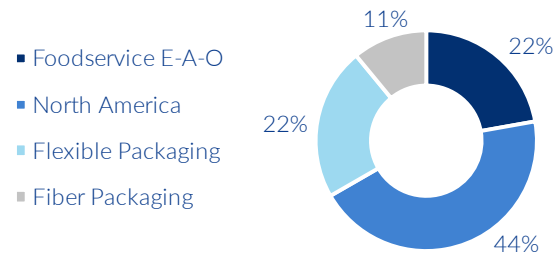
Adjusted EBIT by business segment

EUR million	Q1 2024	Q1 2023	Change	Items affecting comparability	
				Q1 2024	Q1 2023
Foodservice Europe-Asia-Oceania	22.0	21.2	4%	-16.3	-1.5
North America	47.9	42.5	13%	-1.0	-
Flexible Packaging	21.6	21.4	1%	-2.4	-2.8
Fiber Packaging	8.6	10.5	-18%	-1.2	-0.3
Other activities	-1.3	-3.5		-0.3	-0.1
Group	98.8	92.1	7%	-21.2	-4.7

Adjusted EBIT by segment, Q1 2024



Adjusted EBIT by segment, Q1 2023



Adjusted EBIT margin by business segment

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	9.1%	10.0%	10.3%	9.2%	8.3%
North America	13.9%	14.3%	13.2%	12.2%	11.9%
Flexible Packaging	6.4%	8.1%	7.2%	4.9%	6.1%
Fiber Packaging	10.1%	10.9%	12.5%	10.8%	12.1%
Group	9.8%	10.4%	9.7%	8.8%	8.8%

The Group's adjusted EBIT increased to EUR 99 million (EUR 92 million) and reported EBIT was EUR 78 million (EUR 87 million). Adjusted EBIT increased supported by lower raw material, transportation and energy costs and the company's actions to improve profitability. On the other hand, lower sales prices and the increase in labor costs had a negative impact on profitability. The Group's adjusted EBIT margin increased and was 9.8% (8.8%). Foreign currency translation impact on the Group's earnings was EUR -2 million (EUR 1 million).

Adjusted EBIT excludes EUR -21.2 million (EUR -4.7 million) of items affecting comparability (IAC), including costs of implementing operational efficiency measures.

Adjusted EBIT and IAC

EUR million	Q1 2024	Q1 2023
Adjusted EBIT	98.8	92.1
Acquisition related costs	-0.0	-0.1
Restructuring gains and losses, including writedowns of related assets	-17.2	-2.3
PPA amortization	-2.2	-2.2
Settlement and legal fees of disputes	-0.1	-0.1
Property damage incidents	-0.5	-
Implementation costs concerning large projects with SaaS cloud computing technology	-1.2	-
EBIT	77.6	87.4

Net financial expenses were EUR 21 million (EUR 19 million). The increase was due to higher interest rates and other financing costs, partly related to the devaluation of the Egyptian pound. Tax expense was EUR 18 million (EUR 16 million). The corresponding tax rate was 32% (24%). The increase was due to certain non-deductible costs related to the restructuring program. Profit for the first quarter was EUR 39 million (EUR 52 million). Adjusted earnings per share (EPS) was EUR 0.55 (EUR 0.51) and reported EPS EUR 0.35 (EUR 0.47). Adjusted EPS is calculated based on adjusted profit for the period, which excludes EUR -20.9 million (EUR -3.9 million) of IAC.

Adjusted profit and IAC

EUR million	Q1 2024	Q1 2023
Adjusted profit for the period attributable to equity holders of the parent company	57.2	53.4
IAC in EBIT	-21.2	-4.7
IAC in Financial items	-0.5	-0.4
IAC Tax	0.8	1.2
IAC attributable to non-controlling interest	0.1	-
Profit for the period attributable to equity holders of the parent company	36.3	49.5

Statement of financial position and cash flow

The Group's net debt decreased and was EUR 1,249 million (EUR 1,426 million) at the end of March. The level of net debt corresponds to a gearing ratio of 0.62 (0.74). Net debt to adjusted EBITDA ratio (excluding IAC) was 2.1 (2.4). Average maturity of external committed credit facilities and loans was 2.6 years (2.8 years).

Cash and cash equivalents were EUR 354 million (EUR 264 million) at the end of March and the Group had EUR 354 million (EUR 354 million) of unused committed credit facilities available.

Total assets on the statement of financial position were EUR 4,768 million (EUR 4,787 million).

Capital expenditure was EUR 37 million (EUR 65 million). The decrease was due to timing of projects and the largest investments for business expansion were directed to increase capacity in North America and rolling out production of recyclable flexible packaging. The Group's free cash flow was EUR 38 million (EUR 43 million). It was mainly weighed on by an increase in working capital.

Sustainability

Huhtamaki continued to make good progress on its Global Sustainability and Safety Index (GSSI) towards achieving the 2030 targets. In Q1, the company improved on several of its sustainability targets, including certified or recycled fiber, renewable electricity and non-hazardous waste recycled.

In North America, the total waste to landfill fell below 10% for the first time. The segment has improved its performance at many of its sites, with three sites reaching zero waste to landfill.

Sustainability rating provider CDP maintained Huhtamaki's a B-score for 2023 for all three categories of climate change, forests and water security.

Three-year program to accelerate strategy implementation and to bring MEUR 100 cost savings

On November 30, 2023, Huhtamaki announced that the company is accelerating the strategy implementation by starting a program which is expected to materially support the profitability with efficiency improvements leading to savings of approximately EUR 100 million over the next three years. All cost levers will be addressed including potential restructuring to a more optimal manufacturing footprint, reducing input costs at an accelerated pace, and improving productivity globally. The costs of the program are expected to be approximately EUR 80 million, which upon materialization will be treated as items affecting comparability.

Savings initiatives have been launched in all four areas of focus; sourcing, waste reduction, labor productivity and manufacturing footprint. The savings are expected to accumulate gradually over 3 years. All activities executed thus far have generated a positive impact on the company's profit in Q1 2024, above the linear savings trajectory of the program. The savings contributed to the Group's adjusted EBIT expansion of EUR 7 million, including compensating for inflation and adverse currency impacts. Program-related costs accounted for EUR 16 million in Q1 2024.

Other significant events during the reporting period

Huhtamaki to consolidate its production footprint in China

On March 5, 2024, Huhtamaki announced a plan to consolidate the footprint in China in the Fiber Foodservice Europe-Asia-Oceania segment and will close its production sites in Tianjin and Shanghai by the end of Q2 2024. The production will be transferred to the manufacturing site in Guangzhou. Additionally, Huhtamaki continues production at the site in Xuzhou. The decision affects 154 employees in the two sites.

The aim of the consolidation is to optimize the manufacturing footprint, improve the competitiveness and strengthen the foundation for future growth in the region. The announced change is part of Huhtamaki's program to accelerate strategy implementation, announced in November 2023, expected to materially support the profitability of Huhtamaki with efficiency improvements leading to savings of approximately EUR 100 million over the next three years. The Tianjin and Shanghai production sites planned to be closed do not represent a material share of the sales or profits of Huhtamaki.

Significant events after the reporting period

Change in Huhtamaki's Global Executive Team

On April 12, 2024, Huhtamaki announced that Marina Madanat, Executive Vice President, Strategy and Business Development, and a member of the Huhtamaki Global Executive Team, has decided to leave Huhtamaki to pursue other career opportunities. She will continue with Huhtamaki until October 8, 2024. The process to appoint Marina's successor is being initiated.

Huhtamaki to consolidate its production footprint by closing a site in Malaysia

On April 23, 2024, Huhtamaki announced a plan to consolidate the production footprint in the Fiber Foodservice Europe-Asia-Oceania segment by closing its production site in Port Klang, Malaysia, by the end of Q2 2024. The production will be transferred to other manufacturing sites. Huhtamaki will continue to serve the region by retaining distribution centers in Malaysia and Thailand as well as a sales office in Singapore. The decision affects 93 employees. Huhtamaki will provide support for the impacted employees.

The aim of the consolidation is to optimize the manufacturing footprint, improve the competitiveness and strengthen the foundation for future growth in the Asia Pacific region. The announced change is part of Huhtamaki's program to accelerate strategy implementation published in November 2023 and expected to materially support the profitability of Huhtamaki with efficiency improvements leading to savings of approximately EUR 100 million over the next three years. The Port Klang site planned to be closed does not represent a material share of the sales or profits of Huhtamaki.

Business review by segment

Foodservice Europe-Asia-Oceania

Foodservice paper and plastic disposable tableware, such as cups, is supplied to foodservice operators, fast food restaurants and coffee shops. The segment has production in Europe, South Africa, Middle East, Asia and Oceania.

EUR million	Q1 2024	Q1 2023	Change	2023
Net sales	241.1	256.2	-6%	1,037.2
Comparable net sales growth	-5%	11%		2%
Adjusted EBIT ¹	22.0	21.2	4%	98.0
Margin ¹	9.1%	8.3%		9.4%
Adjusted RONA ¹	10.8%	10.4%		10.4%
Capital expenditure	5.4	24.3	-78%	64.0
Operating cash flow ¹	29.5	22.2	33%	130.6
Items affecting comparability (IAC)	-16.3	-1.5		-9.9

¹ Excluding IAC.

Q1 2024

The demand for foodservice packaging remained soft during the quarter. Prices of raw materials decreased compared to Q1 2023.

Net sales in the Foodservice Europe-Asia-Oceania segment decreased and comparable net sales growth was -5%, as pricing did not make up for lower sales volumes. The Israel-Hamas war led to boycotts of certain large customers, negatively impacting sales volumes. Net sales decreased in most markets, but particularly in China, the Middle East and Africa.

The impact of currency movements on the segment's reported net sales was EUR -2 million.

The segment's adjusted EBIT increased supported by actions to improve profitability, lower input costs and improved pricing and mix, whereas a decrease in sales volumes had a negative impact.

The impact of currency movements on the segment's reported earnings was EUR 0 million.

North America

The North America segment serves local markets with Chinet® disposable tableware products, foodservice packaging products, as well as ice-cream containers and other consumer goods packaging products. The segment has production in the United States and Mexico.

EUR million	Q1 2024	Q1 2023	Change	2023
Net sales	344.1	358.1	-4%	1,457.9
Comparable net sales growth	-3%	2%		2%
Adjusted EBIT ¹	47.9	42.5	13%	187.9
Margin ¹	13.9%	11.9%		12.9%
Adjusted RONA ¹	18.9%	17.6%		18.4%
Capital expenditure	14.6	20.2	-27%	121.4
Operating cash flow ¹	73.0	17.8	>100%	122.2
Items affecting comparability (IAC)	-1.0	-		-0.0

¹ Excluding IAC.

Q1 2024

Demand remained unchanged from the previous year's level. Prices of most raw materials decreased compared to the first quarter of 2023, with the exception of resins.

Net sales in the North America segment decreased driven by lower sales prices. Net sales increased in Consumer Goods, partly supported by the ramp-up of egg carton capacity in the Hammond, Indiana, site. Comparable net sales growth was -3%. Sales volumes remained at the previous year's level.

The impact of currency movements on the segment's reported net sales was EUR -4 million.

The segment's adjusted EBIT increased. It was driven by increased operational efficiency, while a decrease in input costs were offset by lower pricing.

The impact of currency movements on the segment's reported earnings was EUR -1 million.

Flexible Packaging

Flexible packaging is used for a wide range of consumer products including food, pet food, hygiene and health care products. The segment serves global markets from production units in Europe, Middle East and Africa, Asia and South America.

EUR million	Q1 2024	Q1 2023	Change	2023
Net sales	335.2	349.1	-4%	1,341.0
Comparable net sales growth	-1%	-5%		-9%
Adjusted EBIT ¹	21.6	21.4	1%	88.0
Margin ¹	6.4%	6.1%		6.6%
Adjusted RONA ¹	6.6%	6.2%		6.5%
Capital expenditure	12.6	16.2	-22%	103.7
Operating cash flow ¹	-0.1	20.2	<-100%	103.9
Items affecting comparability (IAC)	-2.4	-2.8		5.8

¹ Excluding IAC.

Q1 2024

Overall demand for flexible packaging showed signs of improvement, but with significant variations by market. Most raw material prices decreased compared to the first quarter of 2023.

Net sales in the Flexible Packaging segment decreased and comparable net sales growth was -1%. Net sales was mainly impacted by negative currency impact and pricing. Sales volumes remained at the previous year's level. In Europe, volumes recovered and growth in Asia continued. Net sales increased in most markets, however it was still soft in India.

The impact of currency movements on the segment's reported net sales was EUR -10 million.

The segment's adjusted EBIT remained at the previous year's level. The actions to improve profitability had a positive impact, offset by lower sales prices and the impact from unfavorable currency movements, Egypt in particular.

The impact of currency movements on the segment's reported earnings was EUR -1 million.

Fiber Packaging

Recycled and other natural fibers are used to make fresh product packaging, such as egg, fruit, food and drink packaging. The segment has production in Europe, Oceania, Africa and South America.

EUR million	Q1 2024	Q1 2023	Change	2023
Net sales	85.0	86.9	-2%	343.1
Comparable net sales growth	1%	17%		7%
Adjusted EBIT ¹	8.6	10.5	-18%	39.6
Margin ¹	10.1%	12.1%		11.6%
Adjusted RONA ¹	13.1%	15.5%		13.7%
Capital expenditure	3.5	4.5	-22%	29.3
Operating cash flow ¹	-5.3	-4.5	-18%	31.8
Items affecting comparability (IAC)	-1.2	-0.3		-6.2

¹ Excluding IAC.

Q1 2024

Overall demand for fiber-based egg packaging improved significantly, but remained stable for food-on-the-go products. The prices of recycled fiber decreased compared to the first quarter of 2023.

Net sales in the Fiber Packaging segment decreased and comparable net sales growth was 1%. Net sales increased driven by sales volumes, whereas pricing had a negative impact.

The impact of currency movements on the segment's reported net sales was EUR -2 million.

The segment's adjusted EBIT decreased due to a weaker operational performance, despite higher sales volumes.

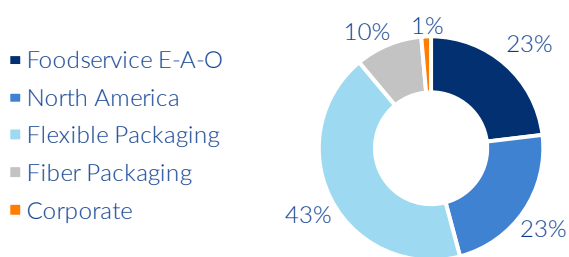
The impact of currency movements on the segment's reported earnings was EUR -0 million.

Personnel

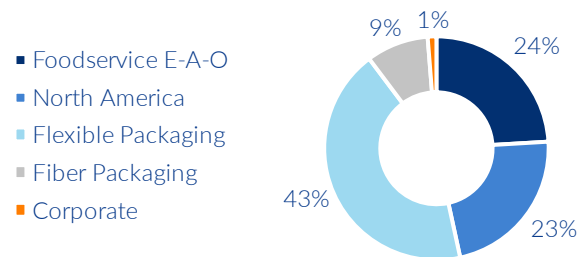
Number of personnel

	March 31, 2024	March 31, 2023	Change
Foodservice Europe-Asia-Oceania	4,125	4,443	-7%
North America	4,065	4,162	-2%
Flexible Packaging	7,700	7,973	-3%
Fiber Packaging	1,726	1,658	4%
Corporate	249	231	8%
Group	17,868	18,468	-3%

Personnel by segment on March 31, 2024



Personnel by segment on March 31, 2023



At the end of March 2024, the Group had a total of 17,868 (18,468) employees. The number of employees was 3% lower than in the comparison period, driven by efficiency improvements to drive competitiveness.

Changes in management

There were no changes in management.

Share capital, shareholders and trading of shares

Share capital and number of shares

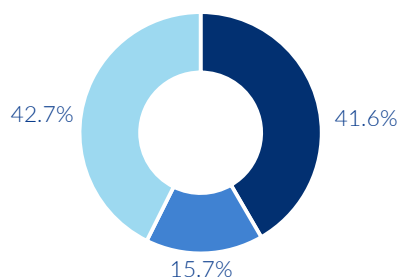
	March 31, 2024	March 31, 2023
Registered share capital (EUR million)	366	366
Total number of shares	107,760,385	107,760,385
Shares owned by the Company	2,999,685	3,222,204
% of total number of shares	2.8%	3.0%
Number of outstanding shares ¹	104,760,700	104,538,181
Average number of shares ^{1,2}	104,565,378	104,372,387

¹ Excluding shares owned by the Company

² Average number of outstanding shares used in EPS calculations

Shareholder structure as at March 31, 2024

- Finnish institutions, companies and organizations
- Households
- Foreign and nominee-registered shareholders



The number of registered shareholders at the end of March 2024 was 52,296 (53,051). Foreign ownership including nominee registered shares accounted for 43% (43%).

Trading of shares

Trading of Huhtamaki shares on Nasdaq Helsinki	Q1 2024	Q1 2023
Number of shares traded, million	9.0	14.0
Closing price on final day of trading, EUR	38.83	34.20
Volume-weighted average price, EUR	37.29	33.50
High, EUR	39.85	36.46
Low, EUR	35.41	31.24
Market capitalization (at end of period), EUR million	4,068	3,685

During the reporting period, Huhtamaki Oyj's (Company) shares were quoted on Nasdaq Helsinki Ltd on the Nordic Large Cap list under the Industrials sector. It was a component of the Nasdaq Helsinki 25 Index.

At the end of March 2024, the Company's market capitalization was EUR 4,068 million (EUR 3,685 million). With a closing price of EUR 38.83 (EUR 34.20) at the end of the reporting period, the share price increased approximately 6% from the beginning of the year. During the reporting period the volume weighted average price for the Company's shares was EUR 37.29 (EUR 33.50). The highest price paid was EUR 39.85 (EUR 36.46) and the lowest was EUR 35.41 (EUR 31.24).

During the reporting period, the cumulative value of the Company's share turnover on Nasdaq Helsinki Ltd was EUR 346 million (EUR 468 million). The trading volume of approximately 9 million (14 million) shares equaled an average daily turnover of 147,423 (218,459) shares. The cumulative value of the Company's share turnover including alternative trading venues, such as BATS Chi-X and Turquoise, was EUR 1,188 million (EUR 1,922 million). During the reporting period, 71% (76%) of all trading took place outside Nasdaq Helsinki Ltd (source: Refinitiv Eikon).

Short-term risks and uncertainties

Decline in consumer demand, inflation in key cost items (including raw materials, labor, distribution and energy), availability of raw materials and movements in currency rates are considered to be relevant short-term business risks and uncertainties in the Group's operations. Economic and financial market conditions, as well as a potential geopolitical escalation and natural disasters can also have an adverse effect on the implementation of the Group's strategy and on its business performance and earnings.

Outlook for 2024 (unchanged)

The Group's trading conditions are expected to improve compared to 2023. Volatility in the operating environment is expected to continue, while Huhtamaki's diversified product portfolio provides resilience. The company's initiatives, which include the ongoing savings and efficiency program are expected to support the company's performance. The Group's good financial position enables addressing profitable growth opportunities.

Annual General Meeting 2024

The Annual General Meeting of Shareholders (AGM) will be held on Thursday, April 24, 2024 at 11:00 (EEST) at Scandic Marina Congress Center, Katajanokanlaituri 6, Helsinki, Finland.

Financial reporting in 2024

In 2024, Huhtamaki will publish financial information as follows:

Half-yearly Report, January 1 - June 30, 2024	July 25
Interim Report, January 1 - September 30, 2024	October 24

Espoo, April 24, 2024

Huhtamäki Oyj
Board of Directors

Group income statement (IFRS) - unaudited

<i>EUR million</i>	Q1 2024	Q1 2023	Q1-Q4 2023
Net sales	1,003.9	1,047.1	4,168.9
Cost of goods sold	-823.1	-862.1	-3,415.0
Gross profit	180.8	185.1	753.9
Other operating income	6.0	4.1	84.2
Sales and marketing	-25.2	-24.1	-101.6
Research and development	-9.0	-8.7	-36.0
Administration expenses	-70.9	-67.8	-295.3
Other operating expenses	-4.1	-1.2	-24.3
Earnings before interest and taxes	77.6	87.4	380.9
Financial income	4.4	2.9	13.9
Financial expenses	-25.6	-22.0	-82.9
Profit before taxes	56.3	68.4	312.0
Income tax expense	-17.7	-16.1	-86.7
Profit for the period	38.6	52.3	225.2
Attributable to:			
Equity holders of the parent company	36.3	49.5	206.3
Non-controlling interest	2.3	2.8	18.9
EUR			
EPS attributable to equity holders of the parent company	0.35	0.47	1.97
Diluted EPS attributable to equity holders of the parent company	0.35	0.47	1.97

Group statement of comprehensive income (IFRS) - unaudited

<i>EUR million</i>	Q1 2024	Q1 2023	Q1-Q4 2023
Profit for the period	38.6	52.3	225.2
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurements on defined benefit plans	7.6	-0.1	-18.2
Income taxes related to items that will not be reclassified	-1.9	0.1	5.0
Total	5.6	-0.0	-13.1
Items that may be reclassified subsequently to profit or loss			
Translation differences	41.3	-46.8	-105.1
Equity hedges	-5.4	3.2	4.5
Cash flow hedges	1.0	-0.9	-5.6
Income taxes related to items that may be reclassified	-0.3	0.1	1.2
Total	36.6	-44.6	-105.0
Other comprehensive income, net of tax	42.3	-44.6	-118.1
Total comprehensive income	80.8	7.7	107.0
Attributable to:			
Equity holders of the parent company	77.1	6.2	93.7
Non-controlling interest	3.7	1.5	13.3

Group statement of financial position (IFRS) - unaudited

<i>EUR million</i>	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
ASSETS			
Non-current assets			
Goodwill	1,007.8	994.6	1,021.6
Other intangible assets	99.4	104.0	122.2
Tangible assets	1,796.4	1,794.9	1,716.5
Other investments	2.0	2.3	2.2
Interest-bearing receivables	3.8	2.4	0.6
Deferred tax assets	48.9	52.1	44.3
Employee benefit assets	54.5	53.3	56.4
Other non-current assets	8.7	11.0	8.0
	3,021.4	3,014.3	2,971.9
Current assets			
Inventory	658.6	620.9	772.5
Interest-bearing receivables	14.9	15.2	34.9
Current tax assets	26.8	24.6	23.7
Trade and other current receivables	682.6	636.5	716.0
Cash and cash equivalents	353.6	348.2	264.1
Assets held for sale	9.6	5.2	4.3
	1,746.2	1,650.5	1,815.4
Total assets	4,767.6	4,664.9	4,787.3
EQUITY AND LIABILITIES			
Share capital	366.4	366.4	366.4
Premium fund	115.0	115.0	115.0
Treasury shares	-27.6	-29.6	-29.6
Translation differences	-67.6	-102.1	-49.3
Fair value and other reserves	-41.7	-48.1	-31.4
Retained earnings	1,565.2	1,536.7	1,477.8
Total equity attributable to equity holders of the parent company	1,909.8	1,838.3	1,848.9
Non-controlling interest	90.3	86.6	78.1
Total equity	2,000.1	1,924.9	1,927.0
Non-current liabilities			
Interest-bearing liabilities	1,409.3	1,403.0	1,402.7
Deferred tax liabilities	138.5	137.0	132.2
Employee benefit liabilities	139.1	145.9	135.3
Provisions	13.5	13.4	13.2
Other non-current liabilities	7.9	7.9	5.0
	1,708.3	1,707.2	1,688.4
Current liabilities			
Interest-bearing liabilities			
Current portion of long term loans	165.6	167.3	102.3
Short-term loans	46.6	83.7	220.9
Provisions	9.5	10.5	8.8
Current tax liabilities	76.9	67.7	73.1
Trade and other current liabilities	760.6	703.5	766.8
	1,059.2	1,032.7	1,171.9
Total liabilities	2,767.5	2,739.9	2,860.3
Total equity and liabilities	4,767.6	4,664.9	4,787.3

Group statement of changes in equity (IFRS) - unaudited

Attributable to equity holders of the parent company

<i>EUR million</i>	Share capital	Share issue premium	Treasury shares	Translation differences	Fair value and other reserves	Retained earnings	Total	Non-controlling interest	Total equity
Balance on January 1, 2023	366.4	115.0	-31.2	-7.1	-30.4	1,429.4	1,842.2	80.0	1,922.2
Dividends	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	1.6	-	-	-3.8	-2.2	-	-2.2
Total comprehensive income for the year	-	-	-	-42.3	-1.0	49.5	6.2	1.5	7.7
Acquisition of non-controlling interest	-	-	-	-	-	2.2	2.2	-2.2	-
Other Changes	-	-	-	-	-	0.5	0.5	-1.2	-0.7
Balance on Mar 31, 2023	366.4	115.0	-29.6	-49.3	-31.4	1,477.8	1,848.9	78.1	1,927.0
Balance on January 1, 2024	366.4	115.0	-29.6	-102.1	-48.1	1,536.7	1,838.3	86.6	1,924.9
Dividends	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	2.0	-	-	-7.7	-5.6	-	-5.6
Total comprehensive income for the year	-	-	-	34.5	6.4	36.3	77.1	3.7	80.8
Other Changes	-	-	-	-	-	0.0	0.0	-0.0	0.0
Balance on Mar 31, 2024	366.4	115.0	-27.6	-67.6	-41.7	1,565.2	1,909.8	90.3	2,000.1

Group statement of cash flows (IFRS) - unaudited

<i>EUR million</i>	Q1 2024	Q1 2023	Q1-Q4 2023
Profit for the period*	38.6	52.3	225.2
Adjustments*	99.1	90.5	352.1
Depreciation, amortization and impairments*	60.1	50.7	240.3
Gain/loss from disposal of assets*	0.1	1.3	-50.8
Financial expense/-income*	21.3	19.1	69.0
Income tax expense*	17.7	16.1	86.7
Other adjustments*	-0.2	3.4	6.9
Change in inventory*	-32.2	-25.3	114.4
Change in non-interest bearing receivables*	-56.5	-29.6	41.0
Change in non-interest bearing payables*	33.8	38.3	-11.1
Dividends received*	0.1	-	0.0
Interest received*	2.7	2.2	7.9
Interest paid*	-5.8	-6.2	-58.8
Other financial expense and income*	-4.7	-4.6	-8.8
Taxes paid*	-10.6	-12.0	-83.8
Net cash flows from operating activities	64.4	105.5	578.2
Capital expenditure*	-36.6	-65.2	-318.7
Proceeds from selling tangible assets*	10.3	2.3	61.9
Disposed subsidiaries and business operations	-	-	-
Acquired subsidiaries and assets	-	-	-1.9
Change in other investments	0.2	0.1	0.1
Proceeds from long-term deposits	0.0	0.3	1.4
Payment of long-term deposits	-1.4	-	-2.9
Proceeds from short-term deposits	2.2	36.6	183.5
Payment of short-term deposits	-2.0	-56.6	-183.5
Net cash flows from investing activities	-27.1	-82.5	-260.3
Proceeds from long-term borrowings	11.6	6.0	443.5
Repayment of long-term borrowings	-7.6	-13.2	-16.6
Change in short-term loans	-38.9	-38.7	-572.3
Acquisition of non-controlling interest	-	-18.2	-18.2
Dividends paid	-	0.0	-104.5
Net cash flows from financing activities	-34.9	-64.2	-268.2
Change in cash and cash equivalents	5.4	-45.4	38.8
Cash flow based	2.3	-41.2	49.7
Translation difference	3.1	-4.2	-11.0
Cash and cash equivalents period start	348.2	309.4	309.4
Cash and cash equivalents period end	353.6	264.1	348.2
Free cash flow (including figures marked with *)	38.2	42.6	321.4

Notes to the Interim Report - unaudited

The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting. Except for the accounting policy changes listed below, the same accounting policies have been applied in the Interim Report as in the annual financial statements for 2023. The following new and amended standards and interpretations have been adopted with effect from January 1, 2024. The amendments had no material impact on the interim financial statements:

- **Revised IAS 1 Presentation of Financial Statements.** The amendments are to promote consistency in application and clarify the requirements on determining if a liability is current or non-current. The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. The amendments require to disclose information about these covenants in the notes to the financial statements.
- **Revised IFRS 16 Leases.** The amendments introduce a new accounting model for variable payments and will require sellerlessees to reassess and potentially restate sale-and-leaseback transactions entered into since the implementation of IFRS 16 in 2019.

The Group also plans to adopt the following amendment in 2024, when endorsed by the European Union:

- **Revised IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.** The amendments enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. Amendments require to disclose quantitative and qualitative information about supplier finance programs.

Segments

Segment information is presented according to the IFRS standards. Items below EBIT – financial items and taxes – are not allocated to the segments. Reportable segments' net sales and EBIT form Group's total net sales and EBIT, so no reconciliations to corresponding amounts are presented.

Net sales

<i>EUR million</i>	Q1 2024	Q1-Q4 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	240.8	1,033.7	248.3	262.2	267.6	255.5
Intersegment net sales	0.3	3.5	1.9	-2.3	3.3	0.7
North America	343.8	1,456.4	377.7	350.0	371.8	356.9
Intersegment net sales	0.3	1.5	0.4	-1.6	1.5	1.2
Flexible Packaging	335.0	1,337.7	318.5	344.3	326.8	348.1
Intersegment net sales	0.2	3.2	1.3	-0.1	1.1	1.0
Fiber Packaging	84.2	341.1	88.4	80.7	85.5	86.6
Intersegment net sales	0.8	2.0	0.4	0.7	0.6	0.3
Elimination of intersegment net sales	-1.6	-10.3	-4.1	3.4	-6.5	-3.1
Total	1,003.9	4,168.9	1,032.9	1,037.2	1,051.7	1,047.1

EBIT

<i>EUR million</i>	Q1 2024	Q1-Q4 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	5.7	88.0	17.2	26.7	24.5	19.7
North America	46.9	187.9	54.1	45.9	45.4	42.5
Flexible Packaging	19.2	93.9	74.2	21.7	-20.6	18.6
Fiber Packaging	7.3	33.4	8.9	5.8	8.5	10.2
Other activities	-1.6	-22.3	-8.4	-7.2	-3.1	-3.5
Total	77.6	380.9	146.0	92.8	54.7	87.4

IAC in EBIT

<i>EUR million</i>	Q1 2024	Q1-Q4 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	-16.3	-9.9	-7.8	-0.1	-0.5	-1.5
North America	-1.0	-0.0	-	-	-0.0	-
Flexible Packaging	-2.4	5.8	48.2	-3.0	-36.5	-2.8
Fiber Packaging	-1.2	-6.2	-0.7	-4.4	-0.8	-0.3
Other activities	-0.3	-1.4	-1.1	-0.1	-0.1	-0.1
Total	-21.2	-11.7	38.5	-7.5	-38.0	-4.7

EBITDA

<i>EUR million</i>	Q1 2024	Q1-Q4 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	28.1	157.8	42.2	41.7	39.8	34.2
North America	62.6	248.3	71.2	60.5	59.5	57.0
Flexible Packaging	34.5	179.0	86.0	36.9	21.6	34.4
Fiber Packaging	13.5	55.8	14.1	12.7	13.8	15.3
Other activities	-1.1	-19.7	-7.8	-6.4	-2.6	-2.8
Total	137.7	621.2	205.7	145.4	132.1	138.1

IAC in EBITDA

<i>EUR million</i>	Q1 2024	Q1-Q4 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	-9.3	-1.0	1.1	-0.1	-0.5	-1.5
North America	-1.0	-0.0	-	-	-0.0	-
Flexible Packaging	-0.2	37.8	46.9	-0.9	-7.6	-0.6
Fiber Packaging	-0.5	-4.3	-0.7	-2.5	-0.8	-0.3
Other activities	-0.3	-1.4	-1.1	-0.1	-0.1	-0.1
Total	-11.3	31.1	46.2	-3.5	-9.1	-2.4

Depreciation and amortization

<i>EUR million</i>	Q1 2024	Q1-Q4 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	22.4	69.8	25.0	15.1	15.3	14.5
North America	15.7	60.4	17.1	14.6	14.2	14.5
Flexible Packaging	15.3	85.1	11.8	15.2	42.2	15.9
Fiber Packaging	6.2	22.4	5.2	6.9	5.2	5.1
Other activities	0.5	2.6	0.6	0.8	0.5	0.7
Total	60.1	240.3	59.7	52.6	77.4	50.7

Net assets allocated to the segments¹

<i>EUR million</i>	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	882.4	907.4	917.4	951.5	955.1
North America	1,023.7	1,013.9	1,046.5	1,012.4	1,026.8
Flexible Packaging	1,335.4	1,294.0	1,361.7	1,348.0	1,374.7
Fiber Packaging	272.1	305.0	292.3	282.3	268.0

¹ Following statement of financial position items are included in net assets: intangible and tangible assets, equity-accounted investments, other non-current assets, inventories, trade and other current receivables (excluding accrued interest income), other non-current liabilities and trade and other current liabilities (excluding accrued interest expense).

Capital expenditure

<i>EUR million</i>	Q1 2024	Q1-Q4 2023	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Foodservice Europe-Asia-Oceania	5.4	64.0	21.7	4.5	13.4	24.3
North America	14.6	121.4	43.7	28.0	29.5	20.2
Flexible Packaging	12.6	103.7	40.3	24.7	22.6	16.2
Fiber Packaging	3.5	29.3	9.0	12.5	3.4	4.5
Other activities	0.5	0.2	0.1	0.1	0.1	0.0
Total	36.6	318.7	114.8	69.7	69.0	65.2

Business Combinations

On February 20, 2023 Huhtamaki acquired full ownership of Huhtamaki Tailored Packaging Pty Ltd (HTP), the Australian foodservice packaging distribution and wholesale group. Huhtamaki acquired a majority stake in the business in 2018 and held approximately 76% of the company prior to the transaction. The debt free purchase price for the additional shares was approximately EUR 19 million. The business has been reported as part of the Foodservice Europe-Asia-Oceania business segment since the beginning of operations in 2018.

Other information

Key indicators

	Q1 2024	Q1-Q4 2023	Q1 2023
Equity per share (EUR)	18.23	17.59	17.69
ROE, % (12m roll.)	11.0%	11.8%	14.3%
ROI, % (12m roll.)	10.7%	10.9%	11.0%
Net debt (EUR million)	1,249.2	1,288.3	1,426.3
Net debt to equity (gearing)	0.62	0.67	0.74
Personnel	17,868	17,910	18,468
Profit before taxes (EUR million, 12m roll.)	299.9	312.0	329.8
Depreciation of tangible assets (EUR million)	53.8	198.0	45.3
Amortization of other intangible assets (EUR million)	4.9	20.6	5.3
Impairments (EUR million)	1.4	21.7	-

Contingent liabilities

<i>EUR million</i>	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
Capital expenditure commitments	71.9	61.6	106.7
Lease commitments	66.8	67.1	-

Financial instruments measured at fair value

<i>EUR million</i>	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
Derivatives - assets			
Currency forwards, transaction risk hedges	1.5	1.4	2.8
Currency forwards, translation risk hedges	-	2.8	0.7
Currency forwards, for financing purposes	2.7	4.6	10.4
Interest rate swaps	4.8	9.0	5.5
Commodity hedges	0.2	0.3	0.1
Other investments	2.0	2.3	2.3
Derivatives - liabilities			
Currency forwards, transaction risk hedges	1.3	2.9	1.9
Currency forwards, translation risk hedges	2.0	-	-
Currency forwards, for financing purposes	2.0	6.3	3.1
Interest rate swaps	-	4.0	-
Commodity hedges	0.0	-0.0	-

The fair values of the financial instruments measured at fair value have been indirectly derived from market prices. Other investments include quoted and unquoted shares. Quoted shares are measured at fair value. For unquoted shares the fair value cannot be measured reliably, as a result of which the investments are carried at cost.

Interest-bearing liabilities

<i>EUR million</i>	Mar 31, 2024		Dec 31, 2023		Mar 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Non-current	1,409.3	1,428.8	1,403.0	1,421.7	1,402.7	1,360.1
Current	212.2	211.2	251.0	248.7	323.1	323.1
Total	1,621.5	1,640.1	1,654.0	1,670.4	1,725.8	1,683.2

Exchange rates

The exchange rates used at the month end are the rates of the date prior to the last working day of the month.

Income statement, average:

	Q1 2024	Q1 2023
AUD	1.6508	1.5682
GBP	0.8564	0.8833
INR	90.1754	88.2476
THB	38.7069	36.4046
USD	1.0861	1.0730
ZAR	20.5041	19.0407

Statement of financial position, month end:

	Mar 31, 2024	Mar 31, 2023
AUD	1.6600	1.6263
GBP	0.8577	0.8816
INR	90.1340	89.3575
THB	39.3810	37.2520
USD	1.0816	1.0886
ZAR	20.4716	19.6460

Definitions for performance measures

Performance measures according to IFRS

Earnings per share (EPS) attributable to equity holders of the parent company =

$\frac{\text{Profit for the period} - \text{non-controlling interest}}{\text{Average number of shares outstanding}}$

Diluted earnings per share (diluted EPS) attributable to equity holders of the parent company =

$\frac{\text{Diluted profit for the period} - \text{non-controlling interest}}{\text{Average fully diluted number of shares outstanding}}$

Alternative performance measures

EBITDA =

EBIT + depreciation, amortization and impairment

Net debt to equity (gearing) =

$\frac{\text{Interest-bearing net debt}}{\text{Total equity}}$

Return on net assets (RONA) =

$\frac{100 \times \text{EBIT (12m roll)}}{\text{Net assets (12m roll)}}$

Operating cash flow =

Adjusted EBIT + depreciation + amortization + impairment - capital expenditure + disposals +/- change in inventories, trade receivables and trade payables

Shareholders' equity per share =

$\frac{\text{Total equity attributable to equity holders of the parent company}}{\text{Issue-adjusted number of shares at period end}}$

Return on equity (ROE) =

$\frac{100 \times \text{Profit for the period (12m roll)}}{\text{Total equity (average)}}$

Return on investment (ROI) =

$\frac{100 \times (\text{Profit before taxes} + \text{interest expenses} + \text{net other financial expenses}) (12m roll.)}{\text{Statement of financial position total} - \text{interest-free liabilities (average)}}$

Comparable net sales growth =

Net sales growth excluding foreign currency changes, acquisitions and divestments

Net debt to adjusted EBITDA =

$\frac{\text{Interest-bearing net debt}}{\text{Adjusted EBITDA (12m roll.)}}$

In addition to IFRS and alternative performance measures presented above, Huhtamaki may present adjusted performance measures, which are derived from IFRS or alternative performance measures by adding or deducting items affecting comparability (IAC). The adjusted performance measures are used in addition to, but not substituting, the performance measures reported in accordance with IFRS.